

REAL ESTATE LEASE

This Lease Agreement (the "Lease") is dated as of July 12, 2022, 2022, by and between **Hernando County**, a political subdivision of the State of Florida (the "Tenant"), whose address is 15470 Flight Path Drive, Brooksville, FL 34604 and the **Hernando County Housing Authority**, a body corporate and politic established under Florida Statute, § 421.27 (the "Landlord"), whose address is 621 W. Jefferson Street, Brooksville, FL 34601, and the parties agree as follows:

1. Tenant. Hernando County, a political subdivision of the State of Florida.
2. Landlord. Hernando County Housing Authority, a body corporate and politic established under Florida Statute, § 421.27.
3. Premises. The premises (the "Premises") are a building located at 621 W. Jefferson Street, Brooksville, Florida 34601, Hernando County, Florida (the "Building"). The Premises consist of the Health & Human Services Premises (as defined below) and the Veteran's Services Premises (as defined below). The Health & Human Services Premises consist of approximately two thousand (2,000) square feet in the Building and is located in the area marked in yellow on the attached Exhibit A. The Veteran's Services Premises consist of approximately five hundred (500) square feet in the Building and is located in the area marked in blue on the attached Exhibit A. Areas marked and covered in red shall be "common or shared" areas, the use of which shall be shared with other occupants of the Building. During the term of the Lease, the remainder of the space in the Building may be leased by the Landlord or may be occupied by the Landlord.
4. Use of Premises. The Tenant shall use the Premises for general office and storage purposes and for no other purpose without the Landlord's prior written approval, which approval may be withheld in Landlord's sole discretion. The Tenant shall not keep or have on the Premises any article or thing of a dangerous, flammable or explosive character that might substantially increase the danger of fire on the Premises or might be considered hazardous by a responsible insurance company.
5. Initial Term; Possession. The term of this Lease will begin on the 1st day of October, 2022 (the "Commencement Date") and will terminate five (5) years from said date (the "Initial Term") unless renewed pursuant to Section 6 below. The Tenant shall be entitled to possession on the first day of the term of this Lease and shall yield possession to the Landlord on the last day of the term of this Lease, unless renewed or otherwise agreed to by both parties in writing.
6. Renewal Options. This Lease shall automatically renew at the end of the Initial Term or at the end of a Renewal Term (as defined below), as applicable, on a year-to-year basis for a total of three (3) one-year additional terms (each a "Renewal Period"). The Tenant shall have the option to renew this Lease (in connection with only the Health & Human Services Premises, the Veteran's Services Premises, or both). Each Renewal Period shall be in accordance with the same terms and conditions as applicable to this Lease during the Initial Term, subject only to the escalation of the Base Rent pursuant to Section 8 below. In no event shall the Initial Term, plus all Renewal Periods, extend this Lease past September 30, 2030, without the agreement of both

the Landlord and the Tenant, which either party may withhold in its respective sole discretion. If the Tenant desires a Renewal Period to include only the Health & Human Services Premises or the Veteran's Services Premises, the Tenant shall so notify the Landlord of such fact at least sixty (60) days prior to the commencement of a Renewal Period. Once a Renewal Period includes only the Health & Human Services Premises or the Veteran's Services Premises, no future renewals may include any premises excluded from a previous renewal.

7. Termination Option. At any time during the term of this Lease, either the Tenant or the Landlord may terminate this Lease by providing the other party with sixty (60) days prior written notice of termination (the "Termination Notice"). Upon receipt of the Termination Notice by the non-terminating party, this Lease shall be deemed terminated on the date that is sixty (60) days after receipt by the non-terminating party of the Termination Notice and each party shall be deemed to release the other party from all claims, disputes, actions and appeals relating to or arising under the Lease. Notwithstanding the prior sentence, if the Tenant owes any Rent (as defined below), or if the Tenant has not fulfilled any of its obligations under this Lease, the Tenant shall remain liable to the Landlord for all such Rent and any damages the Landlord may incur due to the Tenant's failure to fulfill any of its obligations under this Lease, which liability shall survive the termination of this Lease.

8. Base Rent. The Tenant shall pay to the Landlord annual base rent (the "Health & Human Services Rent") of Twenty-Three Thousand Eight Hundred Eighty One and 05/100 Dollars (\$23,881.05), subject to escalation as provided below, in arrears in four (4) equal installments of Five Thousand Nine Hundred Seventy and 26/100 Dollars (\$5,970.26) each, payable on the first (1st) day of January, April, July and October, commencing on January 1, 2023. The Tenant shall pay to the Landlord annual base rent (the "Veteran's Services Rent") of Five Thousand Nine Hundred Seventy and 26/100 Dollars (\$5,970.26), subject to escalation as provided below, in arrears in four (4) equal installments of One Thousand Four Hundred Ninety Two and 57/100 Dollars (\$1,492.57) each, payable on the first (1st) day of January, April, July and October, commencing on January 1, 2023. The Health & Human Services Rent and the Veteran's Services Rent shall sometimes be referred to as the "Base Rent". The Base Rent and all other sums due under this Lease by the Tenant to the Landlord shall sometimes be referred to as the "Rent"). All Rent shall be delivered to the Landlord at 621 W. Jefferson Street, Brooksville, Florida 34601, Attn: Jessica Flynn. The Tenant's covenants to pay Rent under this Lease shall survive the expiration or early termination of this Lease. Base Rent not received by the Landlord by the tenth (10th) day after its due date will be charged a five percent (5.0%) late fee. On each annual anniversary of the Commencement Date during the Initial Term and any and all Renewal Periods, commencing on October 1, 2023, the Health & Human Services Rent and the Veteran's Services Rent will each, respectively, increase by three percent (3%). Currently, no sales tax will be charged on the Rent due to the Tenant's tax-exempt status. If, however, such tax-exempt status changes, the Tenant shall pay the applicable sales tax as required by the Florida Department of Revenue to the Landlord as additional Rent simultaneously with all payments of Rent.

9. Utility Services. The Landlord shall provide, at its sole cost and expense, utility services (including electric, garbage collection, water and sewer) to the Premises adequate for the intended use of the Premises per Section 4 above. The Landlord will also be responsible for ensuring that the Premises are cable ready. The cost of any cable services for the Premises, however, shall be borne by the Tenant. The Tenant shall also provide any equipment necessary in

order to obtain and maintain any electric, telephone, internet or television cable deemed necessary for its operation. In addition, the Tenant is responsible for any costs associated and/or incurred as it relates to the installation of any independent electric, telephone, internet or cable services to the Premises. The Landlord shall not be responsible for any interruption of utility services supplied to the Premises.

10. Landlord Maintenance. The Landlord shall be responsible for maintaining, repairing and replacing, as necessary: (i) the exterior of the Building; (ii) roof; (iii) roof drains; (iv) exterior walls; (v) foundations; (vi) structural portions of the Building; (vii) HVAC systems; (viii) plumbing systems, pipes and drains (excluding any clogs or stoppages caused by the Tenant); (ix) electrical systems; (x) existing landscaping; (xi) existing striped parking areas; (xii) common areas; (xiii) replacement of light bulbs and ballasts; (xiv) replacement of HVAC filters; (xv) doors, locks and keys; (xvi) janitorial service and supplies; (xvii) cleaning; (xviii) pest control service; (xix) garbage and trash removal; and (xx) removal of litter in the parking and exterior areas.

11. Real Property Taxes. To the extent not otherwise exempt in whole or part, the Landlord shall pay any real property taxes due on the Premises.

12. Tenant Responsibilities.

A. Permits. The Tenant shall be responsible, at its sole cost and expense, for all permits required to meet its occupancy needs.

B. Security. The Tenant shall be responsible for all security measures, if any, the Tenant deems necessary to protect its property and its possessions located in the Premises.

C. Moving Expenses. The Tenant shall be responsible, at its sole cost and expense, to move all of its personal property onto the Premises.

D. Parking. The Tenant shall ensure that all vehicles, whether owned by Tenant or any of its employees, are licensed, operable and parked only in designated areas.

E. Occupants. The Landlord acknowledges that the Tenant may have visitors in the Premises in order for such visitors to conduct official business only. The Tenant shall ensure that all of its employees, visitors and other occupants of the Premises shall conduct themselves in a courteous, moral and lawful manner that does not unreasonably disturb the Landlord or any other tenant in the Building, or offend persons in the Building, and shall generally not constitute a breach of the peace or cause the Landlord any problems.

F. Tenant Maintenance. The Tenant shall be responsible for maintaining in good condition and repair: (i) the interior of the Premises; (ii) security systems for the Premises, if any; and (iii) internal telephone and data systems. The Tenant shall also keep the Premises in a sanitary and neat condition, including, without limitation, the common areas in the Building.

G. Personal and Tangible Property Taxes. The Tenant shall be responsible for paying all personal and tangible property taxes which may be imposed in connection with the Tenant's occupancy or use of the Premises.

H. Keys. The Tenant shall supply a key/keys to the Premises (if separately keyed) to the Landlord to be used in case of an emergency in the Tenant's absence.

I. Inspection. The Tenant shall allow an inspection of the Premises by the Landlord upon reasonable notification.

J. Compliance with Law. The Tenant, at its sole cost and expense, shall comply with all laws, ordinances and regulations of the federal, state and local governments and administrative agencies including, without limitation, all those relating to the use of hazardous substances and the Americans with Disabilities Act of 1990, as amended, except those which require maintenance, repair or replacement which, pursuant to Section 10, are the responsibility of the Landlord.

13. Insurance. The Landlord shall provide fire and extended casualty insurance coverage for the Premises. The Tenant shall provide insurance for its contents and general liability insurance. The general liability insurance shall be in such amount acceptable to the Landlord and shall provide that the Landlord is an additional insured.

14. Improvements and Alternations. The Tenant shall have the right (i) to improve/alter the interior of the Premises by installing floor coverings, painting interior walls, removing/relocating existing interior walls, removing/relocating millwork, and similar interior improvements and alterations, and (ii) to install any portable out-buildings and storage sheds (the "Tenant Improvements"), subject to the prior approval of the Landlord as to the work and, if applicable, the location of any portable out-buildings or storage sheds, and which approval shall not be unreasonably withheld, conditioned, or delayed. All Tenant Improvements shall be at the Tenant's sole cost and expense. All Tenant Improvements shall be performed in a good workmanship-like manner by appropriately licensed contractors and tradesmen, and all applicable permits obtained. All such Tenant Improvements shall be performed in compliance with all applicable laws and ordinances.

15. Security Deposit. No security deposit shall be required from the Tenant.

16. Exterior Sign. With the prior approval of the Landlord, which approval shall not be unreasonably withheld, conditioned or delayed, the Tenant may install an exterior sign in accordance with the County's land development regulations, with the understanding that the Landlord's current signage shall remain. The Tenant shall be responsible for all fees and permits associated with signage.

17. Parking. The Tenant shall have the right in connection with others to utilize the existing striped parking area associated with the Building.

18. Security. The Tenant shall have the right to install its own security system for the Premises, at its sole cost and expense. In the event the Tenant installs a security system, such security system shall remain part of the Premises at the time the Tenant surrenders the Premises. The Tenant shall be responsible for all fees and permits associated with installation of a security system.

19. Access. The Tenant shall have access to the Premises 24 hours a day, 7 days per week.

20. Subleases. The Tenant shall not have the right to sublease space within the Premises or to assign this Lease. Notwithstanding the above, the Tenant shall have the right to enter into various agreements with departments of the Tenant for the use of a portion of the Premises.

21. Default. In the event either party defaults under this Lease, the other party shall retain all rights and remedies under Florida Landlord and Tenant Law, to the extent not modified or limited by any other provision of this Lease.

22. Abandonment. The Tenant's early vacation of the Premises shall not be construed as abandonment nor shall it be an event of default as long as the Tenant continues to timely make its quarterly rental payments to the Landlord and maintains the Premises in accordance with the terms hereof.

23. No Responsibility. The Landlord shall not be liable for any actions of the Tenant or their employees, agents, invitees or guests.

24. Holdover. Any holdover by the Tenant following the expiration of this Lease (i.e., the Tenant not timely exercising its option to renew this Lease, or all Renewal Periods having been used) shall be at a rental rate not to exceed one hundred ten percent (110%) of the Base Rent in effect prior to expiration. During any holdover period, in the event the parties cannot mutually agree on new lease terms, the Landlord may exercise all other rights and remedies regarding a holdover tenant under Florida Landlord and Tenant Law, except as modified by this provision.

25. Relocation of Tenant. The Landlord shall not have the right to relocate the Tenant.

26. Subordination, Non-Disturbance and Attornment Agreement. This Lease shall be subject and subordinate to the liens of all mortgages and other security instruments placed upon the Premises or the Building or any portion thereof, including, without limitation, that certain Construction Mortgage, dated July 22, 2016, by and between Landlord, as grantor, and Brannen Bank, as lender; provided, however, that the Tenant shall receive non-disturbance agreements from any present or future mortgagees or holder of any other superior interest in the Premises, if any, in such mortgagee's or holder's standard form.

27. Expiration of Term or Surrender of the Premises. Upon expiration or earlier termination of this Lease, the Tenant shall be obligated to restore the Premises to its original layout and condition, subject to reasonable wear and tear. In addition, upon expiration or earlier termination of this Lease, the Tenant shall remove all of its personal property, goods and effects (including, without limitation, any out-buildings or storage sheds installed in the vicinity of the Building) and peaceably yield up the Premises to the Landlord with the Premises being vacant, clean and free of all trash and debris. Any alterations or improvements to the Premises made or caused by the Tenant with the prior written approval of the Landlord shall remain with the Premises at the time the Tenant surrenders the Premises.

28. Approvals. This Lease is subject to the approval of the Hernando County Board of County Commissioners and the Hernando County Housing Authority.

29. Destruction or Condemnation of Premises. If the Premises are damaged or destroyed by fire or other casualty to the extent that enjoyment of the unit is substantially impaired, the Landlord, in its sole discretion, may elect to repair the Premises or terminate the Lease upon thirty (30) days written notice to the Tenant. If the Premises are condemned or cannot be repaired within sixty (60) days, this Lease will terminate upon thirty (30) days written notice by either party.

30. Governing Law, Venue and Fees. This Lease shall be construed in accordance with Florida law. Venue of any claim, dispute or action shall be in Hernando County, Florida. Each party to such claim, dispute, action, or appeal shall bear its own attorneys' fees and costs.

31. Mechanics Liens. Neither the Tenant, nor anyone claiming through the Tenant, shall have the right to file mechanics' liens or any kind of lien on the Premises and the filing of this Lease constitutes notice that such liens are invalid. Further, the Tenant agrees to (1) give actual advance notice to any contractors, subcontractors or suppliers of goods, labor or services that such liens will not be valid, and (2) take whatever additional steps that are necessary in order to keep the Premises free of all liens resulting from construction done by or for the Tenant.

32. Radon Gas Notification. As of January 1, 1989, Florida Statute, § 404.056(8) requires that tenants entering into agreements for the rent of any building shall receive the following notification:

RADON GAS: Radon is a naturally occurring radioactive gas that, when it has accumulated in a building in sufficient quantities, may present health risks to persons who are exposed to it over time. Levels of radon that exceed federal and state guidelines have been found in buildings in Florida. Additional information regarding radon and radon testing may be obtained from your county public health unit.

33. **WAIVER OF JURY TRIAL.** THE LANDLORD AND THE TENANT HEREBY EXPRESSLY WAIVE TRIAL BY JURY IN ANY ACTION OR PROCEEDING OR COUNTERCLAIM BROUGHT BY EITHER PARTY HERETO AGAINST THE OTHER PARTY ON ANY AND EVERY MATTER, DIRECTLY OR INDIRECTLY ARISING OUT OF OR WITH RESPECT TO THIS LEASE, INCLUDING, WITHOUT LIMITATION, THE RELATIONSHIP OF THE LANDLORD AND THE TENANT, THE USE AND OCCUPANCY BY THE TENANT OF THE PREMISES, AND ANY STATUTORY REMEDY AND/OR CLAIM OF INJURY OR DAMAGE REGARDING THIS LEASE. THE PROVISIONS OF THIS ARTICLE HAVE BEEN FULLY DISCUSSED BY THE PARTIES HERETO. NO PARTY HAS, IN ANY WAY, AGREED WITH OR REPRESENTED TO ANY OTHER PARTY THAT THE PROVISIONS OF THIS SECTION WILL NOT BE FULLY ENFORCED IN ALL INSTANCES.

34. Entire Agreement. This Lease contains the entire agreement of the parties and there are no other promises, conditions, understandings or other agreements, whether oral or written, relating to the subject matter of this Lease.

35. Amendments. This Lease may only be modified or amended by a writing duly approved and signed by the Landlord and the Tenant.

36. Binding Effect. The provisions of this Lease shall be binding upon and inure to the benefit of both parties and their respective legal representatives, successors and assigns.

37. Effective Date. This Lease shall be effective upon the date signed by the last party hereto.

38. Limited Liability. The Landlord shall not incur costs beyond those stated herein in connection with the lease of the Premises to the Tenant.

39. Counterparts. This Agreement may be executed in several counterparts, each of which shall be deemed an original and all of which shall constitute one and the same instrument and shall become effective when counterparts have been signed by each of the parties and delivered to the other parties; it being understood that all parties need not sign the same counterparts. Electronic signatures in the form of handwritten signatures, by facsimile or email transmittal and scanned and digitized images of a handwritten signature (e.g., scanned document in PDF format), shall have the same force and effect as original manual signatures.

[Signatures on following page.]

IN WITNESS WHEREOF, the parties hereto have set their hands and seals below.

LANDLORD:

ATTEST:

HERNANDO COUNTY HOUSING AUTHORITY

Print Name: _____

By: _____

Name: Terri Beverly

Its: Executive Director

Date: _____

ATTEST:



TENANT:

BOARD OF COUNTY COMMISSIONERS
HERNANDO COUNTY, FLORIDA

Print Name: _____

By: _____

Name: Steve Champion

Its: Chairman

Date: July 12, 2022

for Heidi Kurgge, Deputy Clerk
Douglas A. Chervat, Jr.
clerk of Circuit Court and
comptroller

APPROVED AS TO FORM
AND LEGAL SUFFICIENCY

BY: _____
County Attorney's Office

Key 143687 Exhibit A

